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SOUTH BEND-LAPORTE-ELKHART, INDIANA, MILK MARKET NEWS

Federal Order No. 67
U. S. Department of Agriculture
Agricultural Marketing Service
Telephone ATLantic 8-2571

Market Administrator
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P. O. Box 216
South Bend 24, Indiana

Issued for Information of Producers
Who Are Not Members of Cooperative Associations

Vol. IV, No. 4

April 1960

MARCH UNIFORM PRICE \$3.78

Dairy farmers will receive a uniform price of \$3.78 for March 1960 deliveries of Grade A milk to handlers under the South Bend-LaPorte-Elkhart, Indiana, milk order. The uniform price is based upon a butterfat differential of 7 cents for each one tenth percent that tests vary above or below the 3.5 percent standard. This minimum price is subject to a 3 cent per hundredweight marketing service deduction, together with the authorized hauling charge.

PRODUCER RECEIPTS

A comparison of daily producer receipts with the February delivery period shows that production decreased about 1 percent, which is not the normal trend. However, adverse weather conditions for the month of March seems to have hampered the normal increase in production expected for this time of year. Compared to a year ago, the daily production is up 7 percent, and on a daily herd production basis, the production is up 85 pounds per day for each producer over the March 1959 delivery period.

CLASS I SALES

Class I sales increased slightly over the February 1960 delivery period and are 5-1/3 percent above a year ago. The slight increase in Class I sales on a daily basis, coupled with the decrease in daily producer receipts, gives a Class I utilization of producer receipts of 75.1 percent, as compared to a Class I percentage of 73.6 in February. Bulk Class I sales outside the marketing area are of negligible amount in this market, but there is an amount of Class I sales in packaged form equal to about 33 percent of the total Class I sales that is being sold outside the confines of the marketing area.

CLASS I PRICE

The Class I price for the April 1960 delivery period will be \$3.93 per hundredweight for 3.5 percent milk. This price was computed by adding \$0.90 per hundredweight to the average price of the 12 condenseries in March (\$3.09) and subtracting the supply-demand adjustment of 6 cents. The supply-demand adjustment for the May 1960 delivery period will be a minus 2 cents. This is derived from dividing the February and March Class I sales by the February and March producer receipts and comparing this percentage (74%) with the percentage stated in the order of 75%. The difference multiplied by 2 gives the supply-demand adjustment.

ORDER NO. 67 PRICES
Class Prices and Uniform Prices Per Cwt. for 3.5% Milk
Average Prices For the Years 1953-1957 And by Months From 1958 To Date

	<u>CLASS I</u>			<u>CLASS II</u>		<u>CLASS III</u>	<u>UNIFORM PRICES</u>	
Year and Month	Differ- ential	Supply Demand	Milk Price	Differ- ential	Milk Price	Milk Price	Milk Price	B. F. Differ- ential
1953	\$ 1.10	\$- .105	\$4.370	\$ --	\$ --	\$3.141	\$4.107	\$.079
1954	1.10	- .243	3.930	--	--	2.874	3.636	.072
1955	1.10	- .134	4.000	--	--	3.018	3.785	.069
1956	1.22	- .049	4.277	--	--	3.118	4.005	.071
1957	1.10	- .177	4.060	.59	3.688	3.126	3.833	.071
<u>1958</u>								
Jan.	\$ 1.10	\$- .18	\$4.066	\$.70	\$3.846	\$3.133	\$3.920	\$.071
Feb.	1.10	- .18	4.053	.70	3.833	3.110	3.880	.071
Mar.	.90	- .18	3.830	.45	3.560	3.082	3.620	.071
Apr.	.90	- .18	3.802	.45	3.532	2.956	3.570*	.069
May	.90	- .18	3.676	.45	3.406	2.896	3.340*	.069
June	.90	- .18	3.616	.45	3.346	2.890	3.290*	.069
July	.90	- .18	3.610	.45	3.340	2.921	3.400*	.069
Aug.	1.30	- .24	3.980	.70	3.620	2.960	3.810	.070
Sept.	1.30	- .24	4.020	.70	3.660	3.000	3.910	.072
Oct.	1.30	- .02	4.280	.70	3.700	3.040	4.140	.070
Nov.	1.30	+ .16	4.500	.70	3.740	3.050	4.290	.070
Dec.	1.10	+ .18	4.330	.70	3.750	3.070	4.150	.072
Av.	\$ 1.08	\$- .118	\$3.980	\$.60	\$3.611	\$3.009	\$3.777	\$.070
<u>1959</u>								
Jan.	\$ 1.10	\$+ .06	\$4.23	\$.70	\$3.770	\$3.060	\$4.060	\$.069
Feb.	1.10	+ .06	4.22	.70	3.760	3.060	4.020	.069
Mar.	.90	+ .08	4.04	.45	3.510	3.010	3.830	.069
Apr.	.90	+ .08	3.99	.45	3.460	2.950	3.780*	.069
May	.90	+ .04	3.89	.45	3.400	2.920	3.590*	.069
June	.90	+ .06	3.88	.45	3.370	2.910	3.620*	.070
July	1.10	+ .04	4.05	.45	3.360	2.930	3.860*	.070
Aug.	1.30	+ .02	4.25	.70	3.630	2.960	4.030	.072
Sept.	1.30	+ .08	4.34	.70	3.660	3.020	4.170	.075
Oct.	1.30	+ .12	4.45	.70	3.730	3.100	4.230	.075
Nov.	1.30	+ .14	4.54	.70	3.800	3.150	4.270	.077
Dec.	1.10	+ .12	4.37	.70	3.850	3.150	4.130	.074
Av.	\$ 1.10	\$+ .075	\$4.188	\$.60	\$3.608	\$3.018	\$3.966	\$.072
<u>1960</u>								
Jan.	\$ 1.10	\$- .04	\$4.21	\$.70	\$3.850	\$3.13	\$3.960	\$.070
Feb.	1.10	- .06	4.17	.70	3.830	3.12	3.950	.070
Mar.	.90	- .06	3.96	.45	3.570	3.09	3.780	.070
Apr.	.90	- .06	3.93	.45	3.540			

* The price shown here is the weighted average of the base price and the excess price.

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UTILIZATION AND CLASSIFICATION OF MILK

CLASS I	March 1960 Reported Data		March 1959 Audited Data	
	Product Pounds	Butterfat Pounds	Product Pounds	Butterfat Pounds
Milk	14,958,288	540,527	13,919,783	499,319
Skim Milk	200,407	476	116,732	142
Fortified Skim Milk	1,034,402	21,967	1,309,441	26,474
Buttermilk	170,987	1,481	156,192	1,263
Flavored Milk and Drink	594,312	18,138	539,612	15,993
Cereal Mixture	258,937	31,958	300,434	37,416
Coffee Cream	25,751	4,764	27,261	5,466
Whipping Cream	33,529	12,531	42,708	15,695
Sour Cream	22,131	4,331	11,931	2,392
Total Class I Utilization	17,298,744	636,173	16,424,094	604,160
Add: Class I Shrinkage	74,095	10,629	30,882	6,384
Subtract: Other Source Receipts	692	--	56	56
Subtract: Overage	786	--	--	--
Net Class I	17,371,361	646,802	16,454,920	610,488
CLASS II				
Used to Produce Cottage Cheese	1,512,205	16,511	1,128,986	12,739
Subtract: Other Source Receipts	--	--	93	93
Subtract: Overage	--	--	--	--
Net Class II	1,512,205	16,511	1,128,893	12,646
CLASS III				
Class III Products	4,236,414	250,390	3,940,322	215,901
Inventory Variation	(135,510)	(6,694)	81,765	(1,683)
Total Class III Utilization	4,100,904	243,696	4,022,087	214,218
Add: Class III Shrinkage	236,184	17,007	157,945	13,117
Subtract: Other Source Receipts	70,601	3,324	116,237	8,270
Subtract: Overage	6,147	--	23,777	--
Net Class III	4,260,340	257,379	4,040,018	219,065
TOTAL PRODUCER RECEIPTS	23,143,906	960,692	21,623,831	842,199

MISCELLANEOUS INFORMATION

	March 1960	February 1960	March 1959
Average Daily Production	746,548#	754,753#	697,543#
March 1960 Production Compared With -	--	- 1.09%	+ 7.03%
Class I Daily Average	558,024#	554,444#	529,809#
March 1960 Sales Compared With -	--	+ 0.65%	+ 5.33%
Number of Producers	1,194	1,201	1,291
Daily Herd Production	625#	628#	540#
Av. Test of Producer Milk Received	3.97812%	3.95763%	3.89477%
Total Value Paid Producers	\$949,676.35	\$934,685.68	\$887,134.67
Av. Monthly Milk Check Per Farm	\$ 795.37	\$ 778.26	\$ 681.89
Av. Daily Milk Check Per Farm	\$ 25.66	\$ 26.84	\$ 22.00

RECEIPTS AND CLASSIFICATION OF PRODUCER MILK

<u>Year</u>	<u>CLASS I</u>		<u>CLASS II</u>		<u>CLASS III</u>		<u>Total Producer Receipts</u>
	<u>Pounds</u>	<u>Percent</u>	<u>Pounds</u>	<u>Percent</u>	<u>Pounds</u>	<u>Percent</u>	
1953	7,342,338	75.6	--	--	2,369,395	24.4	9,711,733
1954	7,272,928	70.4	--	--	3,058,935	29.6	10,331,863
1955	8,692,563	76.3	--	--	2,695,649	23.7	11,388,212
1956	10,125,716	75.4	--	--	3,302,901	24.6	13,428,617
1957	11,720,328	70.8	1,107,967	6.7	3,725,823	22.5	16,554,118
<u>1958</u>							
Jan.	12,421,993	78.0	1,207,200	7.6	2,287,650	14.4	15,916,843
Feb.	10,961,276	74.6	1,188,797	8.1	2,536,701	17.3	14,686,774
Mar.	11,777,301	69.4	1,332,925	7.8	3,865,790	22.8	16,976,016
Apr.	11,446,743	66.7	1,324,083	7.7	4,377,875	25.6	17,148,701
May	11,496,472	55.5	1,320,121	6.4	7,895,482	38.1	20,712,075
June	10,219,240	52.2	1,427,278	7.3	7,931,209	40.5	19,577,727
July	10,864,823	64.6	1,610,135	9.6	4,352,884	25.8	16,827,842
Aug.	15,936,403	80.1	1,374,096	6.9	2,586,484	13.0	19,896,983
Sept.	16,553,043	85.0	1,401,002	7.2	1,512,909	7.8	19,466,954
Oct.	17,669,313	84.7	1,427,728	6.9	1,752,656	8.4	20,849,697
Nov.	16,198,889	82.0	1,132,901	5.7	2,420,067	12.3	19,751,857
Dec.	16,659,844	81.9	979,123	4.8	2,704,318	13.3	20,343,285
Av.	13,517,112	73.0	1,310,449	7.1	3,685,335	19.9	18,512,896
<u>1959</u>							
Jan.	16,988,480	81.2	1,084,208	5.2	2,853,643	13.6	20,926,331
Feb.	15,239,825	78.9	1,053,372	5.5	3,017,745	15.6	19,310,942
Mar.	16,463,653	76.1	1,146,541	5.3	4,014,965	18.6	21,625,159
Apr.	16,278,936	76.8	1,218,411	5.7	3,705,029	17.5	21,202,376
May	17,020,842	66.8	1,476,387	5.8	6,996,009	27.4	25,493,238
June	16,143,898	69.5	1,625,641	7.0	5,452,167	23.5	23,221,706
July	16,656,834	80.0	1,257,357	6.1	2,898,176	13.9	20,812,367
Aug.	16,205,279	80.1	1,098,487	5.4	2,938,472	14.5	20,242,238
Sept.	17,271,583	84.0	1,107,034	5.4	2,182,542	10.6	20,561,159
Oct.	18,015,868	79.9	1,346,159	6.0	3,175,402	14.1	22,537,429
Nov.	15,951,304	76.8	1,106,991	5.3	3,704,095	17.9	20,762,390
Dec.	16,843,414	76.0	1,017,108	4.6	4,293,444	19.4	22,153,966
Av.	16,589,993	76.9	1,211,475	5.6	3,769,307	17.5	21,570,775
<u>1960</u>							
Jan.	16,630,974	72.7	1,303,077	5.7	4,946,776	21.6	22,880,827
Feb.	16,117,168	73.6	1,345,884	6.2	4,424,792	20.2	21,887,844
Mar.	17,371,361	75.1	1,512,205	6.5	4,260,340	18.4	23,143,906